

# House Study Bill 577 - Introduced

HOUSE FILE \_\_\_\_\_

BY (PROPOSED COMMITTEE ON  
VETERANS AFFAIRS BILL BY  
CHAIRPERSON CHAMBERS)

## A BILL FOR

1 An Act creating veterans bonus funds for military service  
2 during certain military conflicts in Lebanon, Grenada, and  
3 Panama, and for service during certain military conflicts  
4 in the Persian Gulf, providing penalties, and making  
5 appropriations.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 35A.8, subsection 5, Code 2011, is  
2 amended by adding the following new paragraphs:

3 NEW PARAGRAPH. *g.* A Lebanon, Grenada, and Panama veterans  
4 bonus fund is created in the state treasury. The Lebanon,  
5 Grenada, and Panama veterans bonus fund shall consist of all  
6 moneys appropriated to the fund to pay the bonus compensation  
7 authorized in section 35A.8B. Notwithstanding section 12C.7,  
8 interest or earnings on investments or time deposits of the  
9 moneys in the Lebanon, Grenada, and Panama veterans bonus  
10 fund shall be credited to the bonus fund. Section 8.33 does  
11 not apply to moneys appropriated to the Lebanon, Grenada,  
12 and Panama veterans bonus fund. On July 1, 2012, all funds  
13 transferred to the veterans trust fund pursuant to 2010 Iowa  
14 Acts, chapter 129, section 52, shall be transferred to the  
15 Lebanon, Grenada, and Panama veterans bonus fund created in  
16 this paragraph.

17 NEW PARAGRAPH. *h.* A Persian Gulf veterans bonus fund is  
18 created in the state treasury. The Persian Gulf veterans  
19 bonus fund shall consist of all moneys appropriated to the  
20 fund to pay the bonus compensation authorized in section  
21 35A.8C. Notwithstanding section 12C.7, interest or earnings  
22 on investments or time deposits of the moneys in the Persian  
23 Gulf veterans bonus fund shall be credited to the bonus fund.  
24 Section 8.33 does not apply to moneys appropriated to the  
25 Persian Gulf veterans bonus fund.

26 Sec. 2. NEW SECTION. 35A.8B Lebanon, Grenada, and Panama  
27 veterans bonus — limited residency requirement — penalty —  
28 appropriation.

29 1. *a.* A person who served on active duty for not less  
30 than one hundred twenty days in the armed forces of the United  
31 States at any time between August 24, 1982, and July 31, 1984,  
32 both dates inclusive, or between December 20, 1989, and January  
33 31, 1990, both dates inclusive, and who was inducted into  
34 active duty service from the state of Iowa and was honorably  
35 discharged or separated from active duty service, or is still

1 in active service in an honorable status, or has been retired,  
2 or has been furloughed to a reserve, or has been placed on  
3 inactive status is entitled to receive from moneys appropriated  
4 for that purpose the sum of seventeen dollars and fifty cents  
5 for each month that the person was on active duty service  
6 in a conflict service area, within the dates specified in  
7 this paragraph. Compensation under this paragraph shall not  
8 exceed a total sum of five hundred dollars. Compensation for a  
9 fraction of a month shall not be considered unless the fraction  
10 is sixteen days or more, in which case the fraction shall be  
11 computed as a full month.

12     *b.* A person otherwise qualified under paragraph "a", except  
13 that the person was not present in a conflict service area  
14 during the period between August 24, 1982, and July 31, 1984,  
15 both dates inclusive, or between December 20, 1989, and January  
16 31, 1990, both dates inclusive, is entitled to receive from  
17 moneys appropriated for that purpose the sum of twelve dollars  
18 and fifty cents for each month that the person was on active  
19 duty service, within the dates specified in paragraph "a".  
20 Compensation under this paragraph shall not exceed a total sum  
21 of three hundred dollars. Compensation for a fraction of a  
22 month shall not be considered unless the fraction is sixteen  
23 days or more, in which case the fraction shall be computed as  
24 a full month.

25     *c.* The department shall adopt rules pursuant to chapter 17A  
26 providing for the definition of a conflict service area.

27     2. A person otherwise eligible to receive compensation  
28 pursuant to subsection 1 shall be entitled to compensation  
29 pursuant to this section if all of the following requirements  
30 are met:

31     *a.* The person has not received a bonus or compensation  
32 similar to that provided in this section from this state or  
33 another state.

34     *b.* The person was on active duty service after August  
35 24, 1982, and the person did not refuse on conscientious,

1 political, religious, or other grounds, to be subject to  
2 military discipline.

3 c. The person files an application for compensation under  
4 this section in a manner determined by the department of  
5 veterans affairs by July 1, 2014.

6 3. The surviving unremarried widow or widower, child or  
7 children, mother, father, or person standing in loco parentis,  
8 in the order named and none other, of any deceased person shall  
9 be paid the compensation that the deceased person would be  
10 entitled to pursuant to this section, if living. However,  
11 if any person has died or shall die, or is disabled, from  
12 service-connected causes incurred during the period and in the  
13 area from which the person is entitled to receive compensation  
14 pursuant to this section, the person or the first survivor as  
15 designated by this subsection, and in the order named, shall be  
16 paid five hundred dollars or three hundred dollars, whichever  
17 maximum amount would have applied pursuant to subsection 1,  
18 paragraph "a" or "b", regardless of the length of service.

19 4. A person who knowingly makes a false statement relating  
20 to a material fact in supporting an application under this  
21 section is guilty of a serious misdemeanor. A person convicted  
22 pursuant to this section shall forfeit all benefits to which  
23 the person may have been entitled under this section.

24 5. All payments and allowances made under this section shall  
25 be exempt from taxation, levy, and sale on execution.

26 6. The bonus compensation authorized under this section  
27 shall be paid from moneys in the Lebanon, Grenada, and Panama  
28 veterans bonus fund.

29 7. The executive director of the department of veterans  
30 affairs shall provide for the administration of the bonus  
31 authorized in this section. The department shall adopt rules,  
32 pursuant to chapter 17A, as necessary to administer this  
33 section including but not limited to application procedures,  
34 investigation, approval or disapproval, and payment of claims.  
35 The department may expend up to one percent of the moneys

1 appropriated for the bonus compensation authorized under  
2 this section for administrative costs associated with the  
3 requirements of this section.

4 8. This section is repealed June 30, 2015.

5 Sec. 3. NEW SECTION. 35A.8C Persian Gulf veterans bonus —  
6 limited residency requirement — penalty — appropriation.

7 1. a. A person who served on active duty for not less  
8 than one hundred twenty days in the armed forces of the United  
9 States at any time between January 31, 1990, and February  
10 28, 1991, both dates inclusive, and who was inducted into  
11 active duty service from the state of Iowa and was honorably  
12 discharged or separated from active duty service, or is still  
13 in active service in an honorable status, or has been retired,  
14 or has been furloughed to a reserve, or has been placed on  
15 inactive status is entitled to receive from moneys appropriated  
16 for that purpose the sum of seventeen dollars and fifty cents  
17 for each month that the person was on active duty service  
18 in the conflict service area, within the dates specified in  
19 this paragraph. Compensation under this paragraph shall not  
20 exceed a total sum of five hundred dollars. Compensation for a  
21 fraction of a month shall not be considered unless the fraction  
22 is sixteen days or more, in which case the fraction shall be  
23 computed as a full month.

24 b. A person otherwise qualified under paragraph "a",  
25 except that the person was not present in a conflict service  
26 area during the period between January 31, 1990, and February  
27 28, 1991, both dates inclusive, is entitled to receive from  
28 moneys appropriated for that purpose the sum of twelve dollars  
29 and fifty cents for each month that the person was on active  
30 duty service, within the dates specified in paragraph "a".  
31 Compensation under this paragraph shall not exceed a total sum  
32 of three hundred dollars. Compensation for a fraction of a  
33 month shall not be considered unless the fraction is sixteen  
34 days or more, in which case the fraction shall be computed as  
35 a full month.

1     *c.* The department shall adopt rules pursuant to chapter 17A  
2 providing for the definition of a conflict service area.

3     2. A person otherwise eligible to receive compensation  
4 pursuant to subsection 1 shall be entitled to compensation  
5 pursuant to this section if all of the following requirements  
6 are met:

7     *a.* The person has not received a bonus or compensation  
8 similar to that provided in this section from this state or  
9 another state.

10    *b.* The person was on active duty service after January  
11 31, 1990, and the person did not refuse on conscientious,  
12 political, religious, or other grounds, to be subject to  
13 military discipline.

14    *c.* The person files an application for compensation under  
15 this section in a manner determined by the department of  
16 veterans affairs by July 1, 2014.

17    3. The surviving unremarried widow or widower, child or  
18 children, mother, father, or person standing in loco parentis,  
19 in the order named and none other, of any deceased person shall  
20 be paid the compensation that the deceased person would be  
21 entitled to pursuant to this section, if living. However,  
22 if any person has died or shall die, or is disabled, from  
23 service-connected causes incurred during the period and in the  
24 area from which the person is entitled to receive compensation  
25 pursuant to this section, the person or the first survivor as  
26 designated by this subsection, and in the order named, shall be  
27 paid five hundred dollars or three hundred dollars, whichever  
28 maximum amount would have applied pursuant to subsection 1,  
29 paragraph "a" or "b", regardless of the length of service.

30    4. A person who knowingly makes a false statement relating  
31 to a material fact in supporting an application under this  
32 section is guilty of a serious misdemeanor. A person convicted  
33 pursuant to this section shall forfeit all benefits to which  
34 the person may have been entitled under this section.

35    5. All payments and allowances made under this section shall

1 be exempt from taxation, levy, and sale on execution.

2 6. The bonus compensation authorized under this section  
3 shall be paid from moneys in the Persian Gulf veterans bonus  
4 fund.

5 7. The executive director of the department of veterans  
6 affairs shall provide for the administration of the bonus  
7 authorized in this section. The department shall adopt rules,  
8 pursuant to chapter 17A, as necessary to administer this  
9 section including but not limited to application procedures,  
10 investigation, approval or disapproval, and payment of claims.  
11 The department may expend up to one percent of the moneys  
12 appropriated for the bonus compensation authorized under  
13 this section for administrative costs associated with the  
14 requirements of this section.

15 8. This section is repealed June 30, 2015.

16 Sec. 4. Section 422.7, Code Supplement 2011, is amended by  
17 adding the following new subsections:

18 NEW SUBSECTION. 57. Subtract, to the extent included,  
19 the amount of any Lebanon, Grenada, and Panama veterans bonus  
20 provided pursuant to section 35A.8, subsection 5, and section  
21 35A.8B.

22 NEW SUBSECTION. 58. Subtract, to the extent included, the  
23 amount of any Persian Gulf veterans bonus provided pursuant to  
24 section 35A.8, subsection 5, and section 35A.8C.

25 EXPLANATION

26 This bill provides for the creation of veterans bonus funds  
27 within the state treasury for the provision of bonuses to  
28 veterans of the United States military who served during the  
29 period of certain conflicts.

30 The bonus funds would be available to certain members of the  
31 United States armed forces who served in active duty during  
32 the military conflicts in Lebanon, Grenada, Panama, and the  
33 Persian Gulf. The bill creates one bonus fund for service  
34 during the conflicts in Lebanon, Grenada, and Panama, and  
35 creates a separate bonus fund for service during the conflict

1 in the Persian Gulf. The bill provides certain dates for the  
2 periods of these conflicts. The bill provides that veterans  
3 who served in conflict service areas during these periods will  
4 receive a larger bonus for their service than veterans who did  
5 not serve in a conflict service area. The bill provides for  
6 the computation of such payments based upon months of service  
7 either in or outside of a conflict service area. A person who  
8 served in a conflict service area will not receive more than a  
9 \$500 bonus and a person who did not serve in a conflict service  
10 area will not receive more than a \$300 bonus from the funds.

11 The bill requires that a veteran must meet additional  
12 requirements to qualify for a bonus. The person must not have  
13 received a similar bonus from this state or any other state.  
14 The person must not have refused to be subject to military  
15 discipline on certain grounds. The bill also requires that the  
16 person file an application by January 1, 2014, for the bonuses  
17 from these funds in order to qualify.

18 Certain other persons including a surviving unremarried  
19 widow or widower, child or children, mother, father, or person  
20 standing in loco parentis of any deceased person shall be paid  
21 the compensation that the deceased person would have been  
22 entitled to. Payments for such compensation may be made to the  
23 first survivor in the order named and none other. The bill  
24 provides that upon certain service-related death or disability  
25 that the veteran or first survivor will be paid the highest  
26 possible contribution permitted to that individual allowed by  
27 the funds.

28 The bill provides that knowingly making a false statement  
29 of material fact supporting an application to receive these  
30 funds is a serious misdemeanor. The bill also provides that a  
31 conviction on such a charge would result in forfeiture of any  
32 rights to collect from the funds.

33 Moneys received from the funds are exempt from taxation,  
34 levy, and sale on execution. The director of the department of  
35 veterans affairs is to administer the fund and adopt rules as



H.F. \_\_\_\_\_

1 necessary for the fund's administration.